



Government of
Saskatchewan

Annual Report 1984

**Fortieth
Annual Report
of the
Saskatchewan
Liquor Board
Superannuation
Commission
for the year ended
December 31, 1984**



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**Saskatchewan
Liquor Board
Superannuation
Commission**



Regina, Saskatchewan

The Honourable F. W. Johnson
Lieutenant Governor
Province of Saskatchewan

Sir:

I have the honour to submit herewith the fortieth Annual Report of the Saskatchewan Liquor Board Superannuation Commission, together with the financial statements, for the fiscal year ending December 31, 1984, pursuant to the provisions of Section 54 of The Liquor Board Superannuation Act.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "G. McLeod". The signature is stylized with a large, sweeping initial "G" and a long, horizontal stroke extending to the right.

George McLeod
Minister in Charge
Liquor Board
Superannuation Commission

**Saskatchewan
Liquor Board
Superannuation
Commission**



Regina, Saskatchewan

The Honourable George McLeod
Minister in Charge
Liquor Board Superannuation Commission
Regina, Saskatchewan

Sir:

I have the honour to submit herewith the fortieth Annual Report of the Liquor Board Superannuation Commission, together with the financial statements, for the fiscal year ending December 31, 1984, pursuant to the provisions of Section 54 of The Liquor Board Superannuation Act.

Respectfully submitted,

Brian Smith
Chairman

The Liquor Board Superannuation Commission

Introduction

The Commission, which consists of three members appointed by the Lieutenant Governor in Council, is responsible for the administration of The Liquor Board Superannuation Act.

The primary objective of the Commission is to provide superannuation allowances to employees who retire and to the dependents of deceased superannuates and employees, in accordance with the Act.

Contributions and Payments

During the calendar year ended December 31, 1984 employees' contributions to the Liquor Board Superannuation Plan amounted to \$338,347. Employer contributions of \$1,130,742 were made to the Plan.

Allowances paid during the year to superannuates, and to the spouses and children of deceased superannuates and employees, amounted to \$1,715,590.

Refunds of contributions and accrued interest paid with respect to employees amounted to \$8,089.

Retirements and Deaths

Nine employees retired during the year:

Normal retirement at age 65
Retirement after 35 years service
Optional retirement after age 60
with minimum 20 years service
Retirement on the grounds of
ill health
Total

For further details, see Table 1.

During the year seven superannuates receiving an allowance died. A superannuation allowance was granted to the spouses of four

deceased superannuates. In the other three deaths, there were no beneficiaries. (See Table 2).

Legislation

Legislation was passed during the year to provide supplementary allowances to increase the superannuation allowances being paid to superannuated employees, spouses and children effective May 1, 1984.

Superannuated employees in receipt of a pension at January 1, 1984 received a supplementary allowance of \$13.00 per year of service; spouses of deceased superannuates and employees received \$7.80 per year of service.

In 1984, the government introduced a successful early retirement program. The program offered eligible employees a \$250 per month bridge benefit, severance pay of one day of each year of service and retirement without reduced benefits if age and service requirements were met.

Administration

The Public Employees Benefits Agency, in the Department of Revenue and Financial Services, is responsible for the operation, administration and management of the Liquor Board Superannuation Plan.

- | | |
|---|---|
| 1 | The Commission extends its appreciation to the |
| 2 | diligent staff of the Public Employees Benefits |
| | Agency responsible for the day to day |
| 5 | administration and accounting requirements of |
| | the Liquor Board Superannuation Plan and to |
| 1 | employees of the Liquor Board for their |
| 9 | co-operation and assistance during the year. |

Liquor Board Superannuation Commission

Brian Smith
Martin P. Pederson
Kenneth A. Cantin

Chairman
Member
Member

Organization Chart

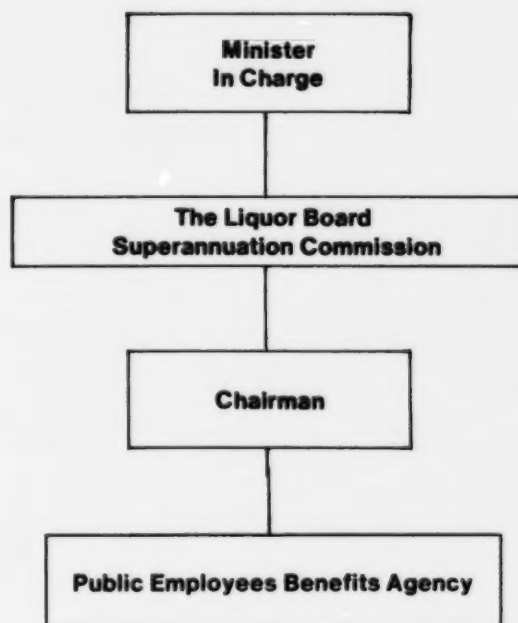


Table 1

The Liquor Board Superannuation Commission — 1984

Name	Position	Effective Date	Final Monthly Salary	Age	Years of Service	Annual Allowance
Employees Retired Having Attained the Age of Retirement — Age 65						
Leniczek, Jack Daniel	L.S. Manager III	Oct. 1/84	\$2,269.00	65	35.66	\$15,065.89
Employees Retired at Their Option After 60 — Reduced Allowance						
— — — — —						
Employees Retired After 35 Years Service						
Armstrong, Hugh F.	Merchandise Mgr.	Jan. 1/84	\$3,016.62	59	37.860	\$23,233.20
Wilkie, A. Murray	Vice Chairman	Jan. 1/84	4,338.46	59	39.575	33,049.68
Employees Retired at Their Option After 60 — No Reduction						
Davies, George H.	Asst. Manager I	Jan. 2/84	\$1,884.00	60	33.222	\$15,662.40
Glasser, Peter	L.S. Manager III	Apr. 29/84	2,272.00	60	26.180	15,791.04
Gulka, Peter	L.S. Manager III	June 17/84	2,141.00	61	27.04	12,813.36
Oscienny, Metro	L.S. Manager III	Sept. 30/84	2,272.00	64	38.59	18,784.15
Reichert, Roy Percy	L.S. Manager II	Sept. 2/84	1,992.00	62	35.80	18,588.60
Employees Retired on The Grounds of Ill Health						
Marks, Stanley	Machiner Operator	March 1/84	\$1,651.00	57	19.98	\$7,409.29

Table 2

The Liquor Board Superannuation Commission — 1984

Name of Superannuate	Date of Death	Age at Death	Annual Allowance at Death	Annual Allowance Payable to Spouse	Effective Date
Allowances Granted to Spouses of Deceased Superannuates					
Brough, John L.	Mar. 27/84	77	\$3,788.40	\$ 2,273.04	Apr. 1/84
Cooper, Mary Smith	Sept. 11/84	100	3,206.28	No Beneficiary	
Fowler, Nina E.	July 1/84	87	2,118.24	No Beneficiary	
Gulka Peter	June 21/84	61	12,813.36	11,849.04	July 1/84
Reinoehl, George	Nov. 13/84	75	4,764.72	2,858.83	Dec. 1/84
Stewart, George B.	May 10/84	82	9,323.40	No Beneficiary	
Usherwood, John L.	Apr. 29/84	82	3,274.20	2,074.32	May 1/84

**Saskatchewan
Liquor Board
Superannuation
Commission**

Liquor Board Superannuation Fund

Financial Statements

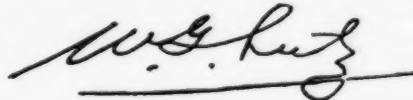
Year Ended December 31, 1984

Auditor's Report

To the Members of the Legislative Assembly
Province of Saskatchewan

I have examined the balance sheet of Liquor Board Superannuation Fund as at December 31, 1984 and the statements of revenue, expenditure and superannuation reserve, employees' contributions, and receipts and disbursements for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the fund as at December 31, 1984 and the results of its transactions for the year then ended in accordance with the disclosed basis of accounting applied on a basis consistent with that of the preceding year.

A handwritten signature in dark ink, appearing to read 'W. G. Lutz', written over a horizontal line.

Regina, Saskatchewan,
March 28, 1985.

W. G. Lutz, F.C.A.,
Provincial Auditor.

Statement 1

**Liquor Board Superannuation Fund
Balance Sheet**

December 31, 1984

(with comparative figures for the previous year)

	1984	1983
Assets		
Cash	\$ 8,519	\$ 14,533
Accounts receivable — Employer contributions	82,186	80,003
— Employee contributions	24,139	20,882
— Other	1,760	759
Investments (Schedule 1)	8,693,537	7,923,194
Accrued interest	194,983	130,283
	<u>\$ 9,005,124</u>	<u>\$ 8,169,654</u>
Liabilities and Fund Equity		
Accounts payable	\$ —	\$ 1,537
Fund equity:		
Contributions to the credit of employees (Statement 3)	2,534,282	2,352,304
Superannuation reserve (Statement 2)	6,470,842	5,815,813
	<u>9,005,124</u>	<u>8,168,117</u>
	<u>\$ 9,005,124</u>	<u>\$ 8,169,654</u>

(See accompanying notes to the financial statements)

Statement 2

**Liquor Board Superannuation Fund
Statement of Revenue, Expenditure and Superannuation Reserve**

Year Ended December 31, 1984

(with comparative figures for the previous year)

	1984	1983
Revenue:		
Contributions from employers (Note 4)	\$ 1,130,742	\$ 1,072,445
Contributions of employees who have superannuated or died:		
Employees' contributions	132,700	240,950
Employees' savings account	—	69
Interest revenue	992,741	810,209
Gain on sale of investments	122,525	441,037
	<u>2,378,708</u>	<u>2,564,710</u>
Expenditure:		
Contributions returned	--	1,176
Superannuation allowances	1,715,590	1,473,479
Interest on refund of contributions	8,089	854
	<u>1,723,679</u>	<u>1,475,509</u>
Excess of revenue over expenditure	655,029	1,089,201
Superannuation Reserve, beginning of year	5,815,813	4,726,612
Superannuation Reserve, end of year (to Statement 1)	<u>\$ 6,470,842</u>	<u>\$ 5,815,813</u>

(See accompanying notes to the financial statements)

Statement 3

**Liquor Board Superannuation Fund
Statement of Employees' Contributions**

Year Ended December 31, 1984
(with comparative figures for the previous year)

	1984	1983
Superannuation		
Balance, beginning of year	\$ 2,352,304	\$ 2,242,837
Add:		
Transfers from other plans	—	33,082
Contributions for the year	338,347	320,646
	<u>2,690,651</u>	<u>2,596,565</u>
Deduct:		
Transfers to other plans	—	2,948
Refund of contributions	23,669	363
Contributions of employees who have superannuated or died transferred to superannuation reserve	132,700	240,950
	<u>156,369</u>	<u>244,261</u>
Balance, end of year (to Statement 1)	<u>\$ 2,534,282</u>	<u>\$ 2,352,304</u>

(See accompanying notes to the financial statements)

Statement 4

**Liquor Board Superannuation Fund
Statement of Receipts and Disbursements**

Year Ended December 31, 1984
(with comparative figures for the previous year)

	1984	1983
Receipts:		
Contributions by employees		
— transfers from other plans	\$ —	\$ 33,082
— contributions	335,090	319,187
Contributions by the employers	1,128,560	1,270,536
Interest received	805,890	778,423
Proceeds from maturities and sales of investments	9,261,011	9,921,827
Recovery from Saskatchewan Liquor Board	759	780
	<u>11,531,310</u>	<u>12,323,835</u>
Cash, beginning of year	14,533	13,422
	<u>\$11,545,843</u>	<u>\$12,337,257</u>
Disbursements:		
Repayment of contributions	\$ —	\$ 1,176
Superannuation payroll deductions	—	6,764
Superannuate allowance payments	1,717,128	1,471,941
Cost of living bonus	759	759
Transfers to other plans	—	2,948
Refund of contributions	23,669	363
Interest on refunds of contributions	8,089	854
Investments purchased at cost	9,787,679	10,837,919
	<u>11,537,324</u>	<u>12,322,724</u>
Cash, end of year	8,519	14,533
	<u>\$11,545,843</u>	<u>\$12,337,257</u>

(See accompanying notes to the financial statements)

Liquor Board Superannuation Fund

Notes to Financial Statements

Year Ended December 31, 1984

1. Significant Accounting Policies

a) Investments

Investments of the fund are recorded at cost. Discounts and premiums on purchase are amortized on a straight-line basis over the life of the investments.

b) Administrative Costs

The fund is administered by the Public Employees Benefits Agency. Accordingly no provision for administrative costs has been reflected in these financial statements.

c) Basis of Accounting

The accounts are maintained on an accrual basis of accounting.

2. Description of the Fund

The fund was established under The Liquor Board Superannuation Act. Membership is comprised of employees and board members who were enrolled on October 1, 1977 and who did not elect to transfer to the Public Employees (Government Contributory) Superannuation Plan prior to October 1, 1978.

3. Superannuation Reserve

The superannuation reserve represents the balance of all amounts contributed by former members who themselves or whose beneficiaries are receiving allowances, all amounts contributed by the employer and all interest earned and gains or losses realized on the sale of fund investments, reduced by allowances paid to superannuates and interest on contributions refunded to members who have resigned.

4. Fund Contributions

Member contributions are based on a percentage of salary. The contributions required by the employer are calculated by applying a predetermined rate to the member's contributions.

5. Unfunded Liability

The most recent actuarial valuation of the Saskatchewan Liquor Board Superannuation Plan estimated that on December 31, 1981 the fund had an unfunded liability for past service benefits of \$15,205,245. The Saskatchewan Liquor Board is obligated to fund any deficiency to meet retirement benefits and withdrawals.

6. Comparative Figures

Certain prior year balances have been reclassified to conform with the current year's financial statements presentation.

Schedule 1

**Liquor Board Superannuation Fund
Schedule of Investments**

December 31, 1984

(with comparative figures for the previous year)

	1984	1983
Bonds		
Government of Canada	\$ 594,817	\$ 322,530
Province of Saskatchewan	1,917,833	1,304,858
Other Provincial and Provincially Guaranteed	762,949	277,715
School Units and Districts	21,941	28,901
Corporate	2,422,750	2,417,284
	<u>\$ 5,720,290</u>	<u>\$ 4,351,288</u>
Mortgages		
Co-operative Trust Company	249,938	248,615
Morguard Trust Company	531,374	218,155
Shares	979,746	1,422,467
Short-term Investments	1,212,189	1,682,669
Total Investments (to Statement 1)	<u>\$ 8,693,537</u>	<u>\$ 7,923,194</u>

Bonds and shares had a quoted market value of \$6,892,957 on December 31, 1984 (1983 — \$5,965,082). Short-term investments are valued at cost, which approximates market value. Since the mortgages are not publicly traded, their market value has not been determined.

Schedule 2

**Liquor Board Superannuation Fund
Schedule of Investment Transactions**

Year Ended December 31, 1984

Bonds and Debentures

Purchased	Maturity Date	Interest Rate	Cost	% Yield	Par Value
Government of Canada	February 1, 1993	11.25	\$ 270,375.00	13.17	\$ 300,000
Government of Canada	December 15, 2002	11.25	246,812.50	12.70	275,000
Government of Canada	April 1, 1994	13.00	246,250.00	13.28	250,000
Government of Canada	May 1, 2001	13.00	244,950.00	13.30	250,000
Province of Saskatchewan	April 1, 2001	10.25	122,370.00	12.95	150,000
Province of Saskatchewan	February 1, 2002	9.00	480,415.00	12.77	650,000
Province of Saskatchewan	March 30, 2003	12.25	470,400.00	13.10	500,000
Province of Quebec (coupons)	October 20, 1996	—	231,426.00	14.25	1,293,750
Province of Quebec (coupons)	October 20, 1996	—	154,560.00	14.25	862,500
Royal Bank Realty	January 31, 1988	11.625	300,000.00	11.625	300,000
			<u>\$2,767,558.50</u>		<u>\$ 4,831,250</u>

Sold or Matured	Maturity Date	Interest Rate	Received	Book Value	Par Value
Government of Canada	March 15, 2000	13.75	\$ 256,775.00	\$ 247,717.55	\$ 250,000
Government of Canada	April 1, 1994	13.00	246,562.50	246,250.00	250,000
Government of Canada	May 1, 2001	13.00	254,062.50	245,073.75	250,000
Province of Saskatchewan	March 30, 2003	12.25	479,375.00	471,177.24	500,000
Saskatoon S.D. #13	October 16, 1984-87	7.25	7,000.00	7,000.00	7,000
C.I.B.C. Certificate of Deposit	June 24, 1985	11.50	303,720.00	300,000.00	300,000
			<u>\$1,547,495.00</u>	<u>\$1,517,218.54</u>	<u>\$ 1,557,000</u>

Net increase in Bonds and Debentures at Par Value (\$4,831,250-\$1,557,000)	\$ 3,274,250
ADD: Total as at December 31, 1983 at Par Value	4,611,000
Total Bonds and Debentures (Par Value) December 31, 1984	7,885,250
LESS: Unamortized Discount	2,164,960
Total Bonds and Debentures (at Amortized Cost) December 31, 1984	5,720,290
Total Bonds and Debentures (at Amortized Cost) December 31, 1983	4,351,288
Net increase in Bonds and Debentures at Amortized Cost	\$ 1,369,002

Insured Mortgages at Cost — Transactions

	Interest Rate	Purchased	Discount Amortized	Disposed	Net
During the year 1984					
Morguard Trust					
— John Remail	13.625	\$ —	\$ —	\$ 654	\$ (654)
— Dahlen (Aspen) Holding	10.75	207,888	2,532	2,360	208,060
— Country Club Estates	10.125	105,869	956	1,012	105,813
Co-operative Trust Company					
— Trafalgar Housing Co-op	21.00	1,510	—	187	1,323
Totals		\$ 315,267	\$ 3,488	\$ 4,213	\$ 314,542

Corporate Shares at Cost — Transactions

	Shares	Purchased	Disposed	Net
During the year 1984				
Transalta Utilities	16,000	\$ 333,600	\$ 333,600	\$ —
West Coast Transmission	10,000	—	136,521	(136,521)
Imasco Corporation	10,000	—	306,200	(306,200)
Totals		\$ 333,600	\$ 776,321	\$ (442,721)

Short-Term Investments

Transactions during the year	Purchased	Disposed	Net
	\$ 6,371,254	\$ 6,841,734	\$ (470,480)

Summary of Investments Transactions (At Cost)

Bonds and Debentures (at Amortized Cost)	Net Increase
Insured Mortgages	\$ 1,369,002
Corporate Shares	314,542
Short-Term	(442,721)
	(470,480)
Total Investment Transactions	\$ 770,343
Investments, beginning of year (at Cost)	7,923,194
Investments, end of year (at Cost)	\$ 8,693,537